

ENTERED

April 28, 2023

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

TEHUM CARE SERVICES, INC.,¹

Debtor.

)
) Chapter 11
)
) Case No. 23-90086 (CML)
)
)
)
)**SECOND INTERIM DIP ORDER (I) AUTHORIZING DEBTOR TO
(A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL,
(II) GRANTING LIENS AND PROVIDING CLAIMS WITH SUPERPRIORITY
ADMINISTRATIVE EXPENSE STATUS, (III) MODIFYING THE AUTOMATIC STAY,
(IV) SCHEDULING A FINAL HEARING AND (V) GRANTING RELATED RELIEF**

[Relates to Dkt. Nos. 185, 243]

On March 22, 2023, the Court held a hearing and entered the *Interim DIP Order* (I) Authorizing Debtor to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims for Superpriority Administrative Expense Status, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief [Dkt. No. 243] (the “First Interim DIP Order”).² The Court hereby amends and supplements the First Interim DIP Order as follows:

1. The Approved Budget is attached hereto as **Exhibit 1**. The Interim DIP Loan is hereby increased by \$750,000.00 (the “Second Interim Draw”) from \$2,000,000 to \$2,750,000, and the DIP Lenders agree to advance the Second Interim Draw, subject to compliance with the terms, conditions, and covenants described in the Approved Budget and the DIP Documents, on or before two (2) business days after the entry of this Order. The defined terms “Interim DIP

¹ The last four digits of the Debtor’s federal tax identification number is 8853. The Debtor’s service address is: 205 Powell Place, Suite 104, Brentwood, Tennessee 37027.

² Capitalized terms used but not defined herein are given the meanings ascribed to such terms in the First Interim DIP Order.

Loan” and “Initial Advance” (as defined in the DIP Credit Agreement) are amended to include both the \$2,000,000 advanced under the First Interim DIP Order and the Second Interim Draw advanced under this Order.

2. The Milestone set forth in subparagraph (b) of Paragraph 15 of the First Interim DIP Order is revised to “no later than May 18, 2023, entry of the Final DIP Order.” All other Milestones set forth in the DIP Documents shall remain subject to approval at the Final Hearing, and all parties’ rights to object to any and all Milestones are preserved.

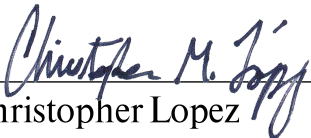
3. Paragraph 17(a) of the First Interim DIP Order is hereby modified as follows:

(a) Effective immediately upon the entry of the Interim DIP Order, and not subject to the Challenge Period (defined below), the Debtor hereby forever, unconditionally and irrevocably releases, discharges and acquits the DIP Secured Parties and each of their respective current officers, shareholders, directors, members, employees, managers, principals, attorneys and agents, and any heirs, successors and assigns (collectively, the “Releasees”), in each case solely in such respective capacity for the DIP Secured Parties, of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, reasonable attorneys’ fees), debts, liens, actions and causes of action of any and every nature whatsoever, whether arising in law or otherwise, but solely to the extent made against the DIP Secured Parties solely in their capacity as DIP Agent or DIP Lenders and solely related to the making of the Interim DIP Loan.

4. The Final Hearing to consider the relief requested in the DIP Motion shall be held on May 17, 2023 at 1:00 p.m. (prevailing Central Time) and any objections or responses to the DIP Motion shall be filed on or prior to May 10, 2023 at 5:00 p.m. (prevailing Central Time).

5. All other terms and provisions of the First Interim DIP Order shall remain the same and in full force and effect.

Signed: April 28, 2023



Christopher Lopez
United States Bankruptcy Judge

Exhibit 1

Approved Budget

	wk 1	wk 2	wk 3	wk 4	wk 5	wk 6	wk 7	wk 8	wk 9	wk 10	wk 11	wk 12	wk 13	13-wk
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Post	Post	Post	Post	Post	Post	Post	Post	Post	Post	Post	Post	Post	Post
	4/21/23	4/28/23	5/5/23	5/12/23	5/19/23	5/26/23	6/2/23	6/9/23	6/16/23	6/23/23	6/30/23	7/7/23	7/14/23	Total
(\$ in thousands)														
1 Misc. Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Total Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Sigma Risk Management	-	-	-	-	-	(150.0)	-	(150.0)	-	-	-	(150.0)	-	(450.0)
4 ERC - Professionals	-	(25.2)	-	-	-	(25.2)	-	-	-	-	-	-	-	(50.4)
5 Insurance	-	-	-	-	(184.3)	-	-	-	-	-	-	-	-	(184.3)
6 Ordinary Course Claim Support	-	-	-	-	-	-	(120.0)	-	-	-	(20.0)	-	-	(140.0)
7 Other Trade Payables	-	-	-	-	(50.0)	-	-	-	(50.0)	-	-	-	-	(100.0)
8 Subtotal - Op. Disbursements	\$ -	\$ (25.2)	\$ -	\$ -	\$ (234.3)	\$ (175.2)	\$ (120.0)	\$ (150.0)	\$ (50.0)	\$ -	\$ (20.0)	\$ (150.0)	\$ -	\$ (924.7)
9 Net Operating Cash Flow	\$ -	\$ (25.2)	\$ -	\$ -	\$ (234.3)	\$ (175.2)	\$ (120.0)	\$ (150.0)	\$ (50.0)	\$ -	\$ (20.0)	\$ (150.0)	\$ -	\$ (924.7)
10 Gray Reed*	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(120.0)	(1,560.0)
11 Ankura - CRO / Financial Advisory*	(55.0)	(69.7)	(69.7)	(69.7)	(69.7)	(55.0)	(55.0)	(55.0)	(55.0)	(55.0)	(55.0)	(55.0)	(55.0)	(774.0)
12 Ankura - Investigations*	(48.1)	(44.0)	(44.0)	(44.0)	(44.0)	-	-	-	-	-	-	-	-	(224.1)
13 BakerHostetler*	(12.5)	-	-	-	-	-	-	-	-	-	-	-	-	(12.5)
14 Claims Agent*	(20.0)	(20.0)	(13.0)	(13.0)	(13.0)	(13.0)	(13.0)	(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(16.3)	(202.5)
15 Stinson - UCC Counsel*	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(25.0)	(325.0)
16 Dundon - UCC Financial Advisor*	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(130.0)
17 Norton Rose Fulbright	-	-	-	-	(170.0)	-	-	-	(10.0)	-	-	-	-	(180.0)
18 DIP Fees	-	-	-	-	(90.0)	(5.0)	(5.0)	(8.0)	(5.0)	(5.0)	(5.0)	(8.0)	(3.0)	(134.0)
19 UST Fees	-	(0.3)	-	-	-	-	-	-	-	-	-	-	-	(0.3)
20 Chapter 11 Filing Fees	-	-	-	-	-	-	(1.8)	-	-	-	-	-	-	(1.8)
21 Other Restructuring Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Subtotal - Restructuring	\$ (290.6)	\$ (289.0)	\$ (281.7)	\$ (281.7)	\$ (541.7)	\$ (228.0)	\$ (229.8)	\$ (234.3)	\$ (241.3)	\$ (231.3)	\$ (231.3)	\$ (234.3)	\$ (229.3)	\$ (3,544.1)
23 Net Cash Flow	\$ (290.6)	\$ (314.2)	\$ (281.7)	\$ (281.7)	\$ (776.1)	\$ (403.2)	\$ (349.8)	\$ (384.3)	\$ (291.3)	\$ (231.3)	\$ (251.3)	\$ (384.3)	\$ (229.3)	\$ (4,468.8)
24 Beginning Book Cash Balance, Net of Incurred	(144.4)	(434.9)	0.9	(280.9)	(562.6)	411.3	258.1	158.3	174.1	132.8	151.6	150.3	166.1	(144.4)
25 Net Cash Flow	(290.6)	(314.2)	(281.7)	(281.7)	(776.1)	(403.2)	(349.8)	(384.3)	(291.3)	(231.3)	(251.3)	(384.3)	(229.3)	(4,468.8)
26 DIP Draw	-	750.0	-	-	1,750.0	250.0	250.0	400.0	250.0	250.0	250.0	400.0	150.0	4,700.0
27 Ending Book Cash Balance, Net of Incurred	\$ (434.9)	\$ 0.9	\$ (280.9)	\$ (562.6)	\$ 411.3	\$ 258.1	\$ 158.3	\$ 174.1	\$ 132.8	\$ 151.6	\$ 150.3	\$ 166.1	\$ 86.8	\$ 86.8
28 Beginning Funded Reserve Acc. Balance	1,720.1	1,720.1	2,284.9	2,284.9	2,284.9	3,137.2	3,418.9	3,641.9	3,864.9	4,091.2	4,317.4	4,543.7	4,769.9	1,720.1
29 Professional Fee Segregation	-	564.8	-	-	852.2	281.7	223.0	223.0	226.3	226.3	226.3	226.3	226.3	3,276.1
30 Professional Fee Disbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 Ending Funded Reserve Acc. Balance	\$ 1,720.1	\$ 2,284.9	\$ 2,284.9	\$ 2,284.9	\$ 3,137.2	\$ 3,418.9	\$ 3,641.9	\$ 3,864.9	\$ 4,091.2	\$ 4,317.4	\$ 4,543.7	\$ 4,769.9	\$ 4,996.2	\$ 4,996.2
32 Total Book Cash Balance, Net of Incurred	\$ 1,285.2	\$ 2,285.8	\$ 2,004.1	\$ 1,722.3	\$ 3,548.5	\$ 3,677.0	\$ 3,800.2	\$ 4,039.0	\$ 4,224.0	\$ 4,469.0	\$ 4,694.0	\$ 4,936.0	\$ 5,083.0	\$ 5,083.0
33 Total Book Cash Balance	\$ 1,850.0	\$ 2,285.8	\$ 2,285.8	\$ 2,285.8	\$ 3,548.5	\$ 3,677.0	\$ 3,800.2	\$ 4,039.0	\$ 4,224.0	\$ 4,469.0	\$ 4,694.0	\$ 4,936.0	\$ 5,083.0	\$ 5,083.0
34 DIP Balance Beginning	2,000.0	2,000.0	2,750.0	2,750.0	2,750.0	4,500.0	4,750.0	5,000.0	5,400.0	5,650.0	5,900.0	6,150.0	6,550.0	2,000.0
35 DIP Draw	-	750.0	-	-	1,750.0	250.0	250.0	400.0	250.0	250.0	250.0	400.0	150.0	4,700.0
36 Subtotal - DIP Balance (Excl. PIK)	\$ 2,000.0	\$ 2,750.0	\$ 2,750.0	\$ 2,750.0	\$ 4,500.0	\$ 4,750.0	\$ 5,000.0	\$ 5,400.0	\$ 5,650.0	\$ 5,900.0	\$ 6,150.0	\$ 6,550.0	\$ 6,700.0	\$ 6,700.0
37 PIK Interest	-	-	21.6	-	-	29.3	-	-	-	-	64.4	-	-	115.3
38 Total - DIP Balance Ending	\$ 2,000.0	\$ 2,750.0	\$ 2,771.6	\$ 2,771.6	\$ 4,521.6	\$ 4,800.9	\$ 5,050.9	\$ 5,450.9	\$ 5,700.9	\$ 5,950.9	\$ 6,265.3	\$ 6,665.3	\$ 6,815.3	\$ 6,815.3

Note: * denotes estimated fees segregated per Interim DIP Order